

**RESOLUTION NO. 75236****A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE  
SUPPLEMENTING RESOLUTION AUTHORIZING THE ISSUANCE OF  
MULTIFAMILY HOUSING REVENUE BONDS FOR BROOKWOOD  
TERRACE FAMILY APARTMENTS**

**WHEREAS**, on November 17, 2009, the City Council adopted Resolution No. 75178 (the "Bond Authorizing Resolution") authorizing the issuance by the City of San Jose (the "City") of multifamily housing revenue bonds (the "Bonds") to provide funds to finance costs of the acquisition and construction by Brookwood Terrace Family Apartments, L.P., a California limited partnership (the "Borrower") of an 84-unit multifamily rental housing development to be known as Brookwood Terrace Family Apartments (the "Project"); and

**WHEREAS**, Section 11 of the Bond Authorizing Resolution authorized the Assistant Director of Finance and the Director of Housing to negotiate and approve changes to the documents approved by the Bond Authorizing Resolution (collectively, the "Bond Documents") as necessary or desirable to allow the Bonds to participate in a new Federal housing program announced on October 20, 2009, by the U.S. Treasury Department (the "New Federal Program"); and

**WHEREAS**, as details regarding the New Federal Program have become available, it now appears that the most economic structure for the Bonds, if the financing is to participate in the New Federal Program, will be to issue the Bonds in two separate series, with one series of the Bonds to be sold to the United States Treasury (the "Series B-1 Bonds") and a second series of the Bonds (the "Series B-2 Bonds") to be publicly offered for sale or placed with JPMorgan Chase Bank, N.A. (the "Bank"), which Bank is providing a letter of credit in connection with the Series B-1 Bonds; and

**WHEREAS**, the purpose of this Resolution is to provide additional authority to the Assistant Director of Finance and the Director of Housing with respect to the Bond Documents as necessary or desirable to allow the Bonds to be issued as Series B-1

Bonds and Series B-2 Bonds, so that the Project can be financed in a manner that takes advantage of the New Federal Program and otherwise is most economically beneficial in the circumstances.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN JOSE THAT:**

**SECTION 1.** In the event that the Assistant Director of Finance, following consultation with the City's financial advisor for the Bonds, determines that the issuance of the Bonds in two series, with the Series B-1 Bonds to be included in the New Federal Program and the Series B-2 Bonds to be publicly offered for sale and secured by a letter of credit provided by the Bank or placed directly with the Bank, will be of economic benefit to the Project and will have no material detrimental impact on the rights and obligations of the City with respect to the Bonds and the use of the proceeds thereof to finance the Project, the Assistant Director of Finance and the Director of Housing are hereby authorized, upon consultation with the City Attorney and Bond Counsel to (a) negotiate and approve changes to the Bond Documents and to negotiate and approve such other documents (collectively with the revised Bond Documents, the "Series B-1 Bond Documents") as necessary or desirable to allow a portion of the Bonds to be issued as Series B-1 Bonds so that the Series B-1 Bonds can participate in the New Federal Program; and (b) negotiate and approve such documents (collectively, the "Series B-2 Bond Documents") as are necessary or desirable to allow a portion of the Bonds to be issued as Series B-2 Bonds that are placed with the Bank, or are publicly sold (but any public sale is only authorized if the repayment of the Series B-2 Bonds is secured by a letter of credit provided by the Bank).

Notwithstanding the foregoing, in no event shall the principal of the Series B-1 Bonds and the principal of the Series B-2 Bonds be in excess of an aggregate of \$13,600,000, and in no event shall any documents for the Bonds to which the City is a party impose any obligation on the City to use its own funds to repay the Bonds.

**SECTION 2.** The Assistant Director of Finance, or her designee, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Series B-1 Bond Documents and the Series B-2 Bond Documents, and the City Clerk, or the City Clerk's designee, is hereby authorized and directed to attest the Assistant Director of Finance's (or her designee's) signature on any of such documents where such attestation is required or otherwise recommended by the City Attorney.

**SECTION 3.** Except as it may be in conflict with the provisions of Sections 1 and 2 above, in which event the provisions of Section 1 and 2 of this Resolution shall prevail, the Bond Authorizing Resolution is hereby ratified and shall remain in full force and effect.

**SECTION 4.** This Resolution shall take effect immediately upon its adoption.

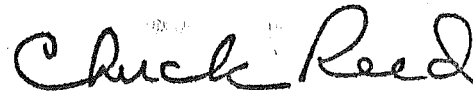
ADOPTED this 15<sup>th</sup> day of December, 2009, by the following vote:

AYES: CAMPOS, CHIRCO, CHU, CONSTANT, HERRERA,  
KALRA, LICCARDO, NGUYEN, PYLE, REED.

NOES: OLIVERIO.

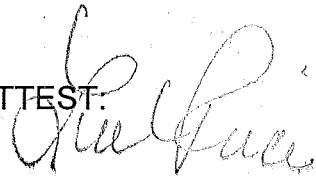
ABSENT: NONE.

DISQUALIFIED: NONE.



CHUCK REED  
Mayor

ATTEST:



LEE PRICE, MMC  
City Clerk